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Debtor in Possession

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA, SACRAMENTO DIVISION

In re:

RUSSELL WAYNE LESTER, an
individual, dba Dixon Ridge Farms,

Debtor in Possession.

CASE NO.: 20-24123-E-11

Chapter 11

DCN: FWP-14

Date:, May 27, 2021

Time: 11:30 a.m.

Courtroom: 33 - Judge Ronald H. Sargis
501 I Street, 6th Floor
Sacramento, CA

**STATEMENT OF CORRECTIONS TO AMENDED PLAN OF REORGANIZATION
(DATED APRIL 1, 2021) AND AMENDED DISCLOSURE STATEMENT (APRIL 1, 2021)**

Russell Wayne Lester, dba Dixon Ridge Farms, the Debtor in Possession, respectfully submits the following Statement of Corrections in accordance with the Amended Order Approving Disclosure Statement and Fixing Time For Filing Acceptances or Rejections Of Plan, Combined With Notice Thereof (Clerical Error Correction; Fed. R. Civ. P. 60(A), Fed. R. Bankr. P. 9024) (Docket No. 571):

1. Attached as Exhibit 5 to the Exhibit Document filed and served herewith is a redline of the Debtor in Possession's Corrected Amended Disclosure Statement (Dated April 1, 2021) (the "Corrected Disclosure Statement"). The Corrected Disclosure Statement highlights corrections clarifications and up-to-date information not available previously, which corrects previous incorrect or unclear information (or inadvertent omissions). It also clarifies language and provisions that other parties have raised as potentially unclear or incorrect.

2. Attached as Exhibit 6 to the Exhibit Document filed and served herewith is a redline of the Debtor in Possession's Amended Disclosure Statement (Dated April 1, 2021) (the "Corrected Redlined Plan"). The Corrected Redlined Plan corrects any previous misinformation (or omission). It also clarifies language and provisions that other parties have raised as potentially unclear or incorrect. The Corrected Redlined Plan also clarifies a mistake in language in the Prudential Insurance Company of American ("Prudential") term sheet. Finally, numerous changes were made to the First Northern Bank of Dixon treatment in the Corrected Redlined Plan. Most of these changes are clarifications of how the treatment of FNB will work under various circumstances. The removal of the junior lien option reflects the Debtor in Possession's acceptance of the reality that the Debtor in Possession mistakenly included that option in the April 1, 2021 Plan – it simply does not work and is removed as an option. Finally, it tightens up how the pledge and "trigger" sale dates will work, which has been previously asserted to be unclear. The Debtor intends to move forward to confirmation on the terms of the Corrected Redlined Plan or such other terms as may be negotiated by the parties before the Confirmation Hearing.

3. Attached as Exhibit 7 to the Exhibit Document filed and served herewith is an amended Exhibit 1 (Three Year Pro Forma) to Debtor in Possession's Amended Disclosure Statement (Dated April 1, 2021), which corrects a mistake concerning the projected Post-Effective Date taxes incurred from the sale of the Conservation Easement, the Oda Ranch, the MacQuiddy Ranch, and the Gordon Ranch.

NOTICE IS HEREBY GIVEN that the Corrected Redlined Plan is in draft form as it has not yet been reviewed by Prudential and/or FNB as well as other parties in interest in the case. The Debtor in Possession anticipates that prior to confirmation, amendments to Corrected Redlined Plan shall be made as part of the confirmation process to reflect settlements, comments made by parties, the Court, and/or experts regarding the confirmability feasibility of various provisions in the Corrected Redlined Plan.

Dated: April 23, 2021

FELDERSTEIN FITZGERALD
WILLOUGHBY PASCUZZI & RIOS LLP
By: /s/ Thomas A. Willoughby
Thomas A. Willoughby
Attorneys for the Debtor in Possession

STATEMENT OF CORRECTIONS TO AMENDED PLAN
AND AMENDED DISCLOSURE STATEMENT